

**CASH MANAGEMENT IMPROVEMENT ACT
AGREEMENT
THE STATE OF LOUISIANA
AND
THE SECRETARY OF THE TREASURY,
UNITED STATES DEPARTMENT OF THE TREASURY
FOR THE PERIOD JULY 1, 1998 THROUGH JUNE 30, 2001
AMENDMENT 3**

The Treasury-State agreement implementing the Cash Management Improvement Act (CMIA), effective for the time period from July 1, 1998, to June 30, 2001, is hereby amended as follows:

1. Explanation of Amendment:

Pursuant to 31 CFR 205.8: If a State has actual or constructive knowledge, at any time, that a clearance pattern does not correspond to a program's clearance activity, or if a program undergoes operational changes that may affect clearance activity, the State shall immediately notify the FMS in writing of the program requiring a new clearance pattern, and develop a new clearance pattern and certify that it corresponds to a program's clearance activity. The Department of Education has recalculated their clearance patterns for several of their programs. In the current version of the TSA, the Department of Education used the same clearance pattern for multiple programs. However, the new clearance patterns are different for some of the programs now. The Department of Education has developed new clearance patterns for the following programs which are included with this amendment:

<u>CFDA#</u>	<u>Program</u>
10.555	National School Lunch Program
10.558	Child and Adult Care Food Program
17.250	Job Partnership Training Act
84.010	Title 1 Grants to Local Education Agencies
84.027	Special Education - State Grants
93.575	Child Care and Development Block Grant

Revised Provisions:

Section 7.1.2 Delete: The State shall apply the clearance pattern for CFDA # 10.555, National School Lunch Programs, to CFDA # 10.553, School Breakfast Program; CFDA # 10.558, Child and Adult Care Food Program; and CFDA # 84.048, Vocational Education Basic Grants to States. The recipients for these programs are basically the same as those for the National School Lunch Program; therefore, the accounting should be the same.

 Add: The State shall apply the clearance pattern for CFDA # 10.555, National

School Lunch Programs, to CFDA # 10.553, School Breakfast Program.
The recipients of this program are basically the same as for the National School Lunch Program; therefore, the accounting should be the same.

The effective date of this amendment and the clearance patterns is June 15, 1999.

2. Explanation of Amendment:

We are deleting program 84.048 – Vocational Education – Basic Grants to States. In October 1998, the voters of the state of Louisiana voted to create a new Board of Community and Technical Colleges. An analysis of this new entity was done for the Comprehensive Annual Financial Report (CAFR) and it was determined that this new board is fiscally independent and similar to the way the colleges and universities are administered in Louisiana. The Vocational Education grant will be moved to this new board. Therefore, it is being eliminated from the Treasury-State Agreement.

Revised Provisions:

Section 4.2	Delete: <u>CFDA#</u> 84.048	<u>Program Name</u> Vocational Education – Basic Grants to States
Section 6.3.14	Delete: <u>CFDA# 84.048</u>	<u>Vocational Education Basic Grants to States</u>
	Recipient:	Department of Education 100%
	Component: Technique:	Program Expenditures Average Clearance
	Component: Technique:	Payroll & Administrative Costs Actual at Fixed Intervals

The effective date of this amendment is July 1, 1999.

3. Explanation of Amendment:

We are deleting CFDA#84.032 - Federal Family Loans, as it has fallen well below our threshold. Expenditures for FY98 were only \$14,990,286.00.

Revised Provisions:

Section 4.2	Delete: <u>CFDA#</u> 84.032	<u>Program Name</u> Federal Family Loans
Section 4.5	Delete: <u>CFDA#</u> 84.032	<u>Program Name</u> <u>Grounds for Exclusion</u> Federal Family Loans Federal Statute State Interest Exemption
Section 5.1	Delete: <u>State Agency/Instrumentality</u> Office of Student Financial Assistance	

The effective date of this amendment is July 1, 1999.

4. Explanation of Amendment:

Currently in the TSA, Louisiana has made provisions regarding how funds should be drawn on holidays. However, the wording is unclear and can be interpreted in multiple ways. To clarify the wording, this amendment is being proposed:

Revised Provisions:

Section 6.1.3	Delete:	In instances where the receipt of funds is scheduled for a Saturday, the State shall request funds for deposit on Friday. In instances where the receipt of funds is scheduled for a Sunday, the State shall request funds for deposit on Monday. In instances where the receipt of federal funds is scheduled for deposit on a day when the State is not open for business, the State shall request funds for deposit the day following the scheduled day; in instances where the receipt of federal funds is scheduled for deposit on a day when the federal government is not open for business, the State shall request funds for deposit the day prior to the scheduled day.
	Add:	In instances where the receipt of funds is scheduled for a Saturday, the State shall request funds for deposit on Friday. In instances where the receipt of funds is scheduled for a Sunday, the State shall request funds for deposit on Monday. In instances of holidays, where the Federal Reserve System is available for transfers, the receipt of funds will be scheduled for deposit on that day. If the Federal Reserve System is closed on a holiday, the funds will be scheduled for deposit on the day prior to the

regularly scheduled date. If the prior day is not a Federal Reserve System business day, the funds are to be scheduled for deposit the day following the holiday. The request must be made prior to the deposit date in such a manner that the State is open for business to request the funds and that the Federal government is open for business to approve the request. The Federal Reserve holidays are listed in a schedule published by their Board of Governors.

The effective date of this provision is July 1, 1999.

5. Explanation of Amendment:

Pursuant to 31 CFR 205.8: If a State has actual or constructive knowledge, at any time, that a clearance pattern does not correspond to a program's clearance activity, or if a program undergoes operational changes that may affect clearance activity, the State shall immediately notify the FMS in writing of the program requiring a new clearance pattern, and develop a new clearance pattern and certify that it corresponds to a program's clearance activity. The clearance pattern for CFDA 14.228 – Community Development Block Grant, had been calculated incorrectly and this new clearance pattern is being substituted with an effective date of July 1, 1999.

The effective date of this provision is July 1, 1999.

6. Explanation of Amendment:

One program has been added to the list – CFDA# 93.596 – Child Care Development Fund. For the first time, expenditures for this fund have exceeded Louisiana's threshold.

Revised Provisions:

Section 4.2	Add:	<u>CFDA#</u> 93.596	<u>Program Name</u> Child Care Development Fund
Section 6.3.23	Add:	<u>CFDA# 93.596</u>	<u>Child Care Development Fund</u>
	Recipient:	Department of Social Services 100%	
	Component:	Assistance Payments	
	Technique:	Estimated Clearance	
	Component:	Payroll	

Technique:	Average Clearance
Component:	Administrative/Indirect Costs
Technique:	Actual and Adjusted Clearance

Section 7.1.4 Add: The State shall apply the clearance pattern for CFDA #93.558, Temporary Assistance to Needy Families, to CFDA #93.596, Child Care Development Fund. The recipients of this program are basically the same as for the Temporary Assistance to Needy Families; therefore, the accounting should be the same.

The effective date of this amendment is July 1, 1999.

7. Explanation of Amendment:

We are deleting the Contract Payments component for CFDA#10.561 – State Administrative Matching Grants for Food Stamp Program, because these were contracts with local government entities who distributed the Food Stamps. Food Stamps are now being distributed through EBT.

Revised Provisions:

Section 6.3.6	Delete: <u>CFDA# 10.561</u>	<u>State Administrative Matching Grants for Food Stamp Program</u>
	Component:	Contract Payments
	Technique:	Average Clearance

The effective date of this amendment is April 21, 1999.

8. Explanation of Amendment:

Under the new Welfare Reform, a portion of the funds received for Temporary Assistance for Needy Families, CFDA #93.558, will also be used to cover Child Care expenses. Therefore we are adding a component for these costs. This component will use the same clearance pattern as the Assistance Payments component under CFDA #93.575 Child Care and Development Block Grant.

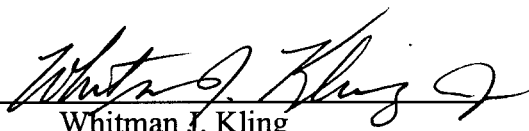
Revised Provisions:

Section:	Add: <u>CFDA# 93.558</u>	<u>Temporary Assistance for Needy Families</u>
	Component:	Assistance Payments – Child Care
	Technique:	Estimated Clearance

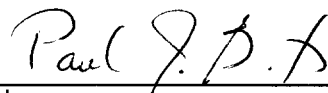
Assistance to Needy Families. The recipients of this program are basically the same as for the Child Care and Development Block Grant; therefore, the accounting should be the same.

The effective date of this amendment is July 1, 1999.

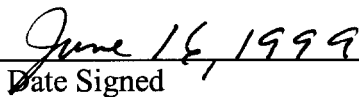
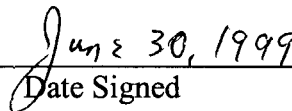
Signatures



Whitman J. Kling
Assistant Commissioner
Division of Administration
State of Louisiana



for Bettsy Lane
Assistant Commissioner
Federal Finance
FMS, US Treasury


Date Signed
Date Signed